



March 25, 2005

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## ENGROSSED HOUSE BILL No. 1008

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DIGEST OF HB 1008 (Updated March 23, 2005 11:01 am - DI 14)

**Citations Affected:** IC 4-4; IC 5-28; IC 15-7; IC 15-9; noncode.

**Synopsis:** Department of agriculture; office of rural affairs. Provides that the lieutenant governor is the secretary of agriculture and rural development. Establishes the office of rural affairs. Establishes the department of agriculture. Transfers the functions of various state agencies relating to agriculture to the department of agriculture. Moves the soil and conservation division from the department of natural resources to the department of agriculture. Changes a reference to the community focus fund and the community focus fund planning grant to the community development block grant program. Makes change to conform to the passage of HEA 1003.

**Effective:** Upon passage; July 1, 2005.

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### Gutwein, Bischoff, Heim, Borders

(SENATE SPONSORS — JACKMAN, NUGENT, YOUNG R, HEINOLD,  
HERSHMAN, MISHLER, PAUL, WATERMAN, WEATHERWAX, HUME,  
LEWIS, MRVAN)

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January 19, 2005, read first time and referred to Committee on Agriculture and Rural Development.

February 17, 2005, amended, reported — Do Pass.

February 21, 2005, read second time, ordered engrossed. Engrossed.

February 22, 2005, read third time, passed. Yeas 96, nays 0.

#### SENATE ACTION

February 24, 2005, read first time and referred to Committee on Agriculture and Small Business.

March 24, 2005, amended, reported favorably — Do Pass.

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EH 1008—LS 7948/DI 75+



March 25, 2005

First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1008

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A BILL FOR AN ACT to amend the Indiana Code concerning agriculture and rural development.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 4-4-2.3 IS ADDED TO THE INDIANA CODE AS  
2       A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON  
3       PASSAGE]:

4       **Chapter 2.3. Lieutenant Governor as Secretary of Agriculture**  
5       **and Rural Development**

6       **Sec. 1. The lieutenant governor serves as secretary of**  
7       **agriculture and rural development by virtue of office.**

8       **Sec. 2. The secretary is responsible for implementation of the**  
9       **following:**

10       (1) IC 4-4-9.7.

11       (2) IC 15-9.

12       SECTION 2. IC 4-4-9-1 IS AMENDED TO READ AS FOLLOWS  
13       [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter:

14       "Director" means the lieutenant governor, who is also the director  
15       of the department of commerce; ~~refers to the director of the office of~~  
16       **rural affairs appointed under IC 4-4-9.7-5.**

17       "Qualified entity" means a city or town with a population of less

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than ten thousand (10,000) persons, a corporation established under IC 23-7-1.1 (before its repeal on August 1, 1991) or IC 23-17 for the purpose of distributing water for domestic and industrial use, a regional water, sewage, or solid waste district, or a conservancy district that includes in its purpose the distribution of domestic water or the collection and treatment of waste.

"Rural development program" means any program designed to aid the growth of rural areas in Indiana and includes:

- (1) the construction of airports, airport facilities, and tourist attractions;
- (2) the construction, extension or completion of sewerlines, waterlines, streets, and sidewalks;
- (3) the leasing or purchase of property, both real and personal; and
- (4) the preparation of surveys, plans, and specifications for the construction of publicly owned and operated facilities, utilities, and services.

SECTION 3. IC 4-4-9.3-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The rural development administration fund is established for the purpose of enhancing and developing rural communities. The fund shall be administered by the ~~Indiana office of rural development council~~. **affairs established by IC 4-4-9.7-4.**

(b) The expenses of administering the fund shall be paid from the money in the fund.

(c) Notwithstanding IC 5-13, the treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund under IC 5-10.3-5. The treasurer of state may contract with investment management professionals, investment advisers, and legal counsel to assist in the management of the fund and may pay the state expenses incurred under those contracts.

(d) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 4. IC 4-4-9.3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The rural development administration advisory board is established to make recommendations concerning the expenditure of money from the fund.

(b) The advisory board shall meet at least four (4) times per year and shall also meet at the call of the executive director of the rural development council.

(c) The advisory board consists of the following members:

- (1) The executive director of the Indiana rural development

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council, who serves as an ex officio member and as the chairperson of the advisory board.

(2) Two (2) members of the senate, who may not be members of the same political party, and who are appointed by the president pro tempore of the senate.

(3) Two (2) members of the house of representatives, who may not be members of the same political party, and who are appointed by the speaker of the house of representatives.

(4) A representative of the ~~commissioner~~ **secretary** of agriculture **and rural development**, to be appointed by the governor.

(5) A representative of the department of commerce, to be appointed by the governor.

(6) A representative of the department of workforce development, to be appointed by the governor.

(7) Two (2) persons with knowledge and experience in state and regional economic needs, to be appointed by the governor.

(8) A representative of a local rural economic development organization, to be appointed by the governor.

(9) A representative of a small town or rural community, to be appointed by the governor.

(10) A representative of the rural development council, to be appointed by the governor.

(11) A representative of rural education, to be appointed by the governor.

(12) A representative of the league of regional conservation and development districts, to be appointed by the governor.

(13) A person currently enrolled in rural secondary education, to be appointed by the governor.

(d) The members of the advisory board listed in subsection (c)(1) through (c)(3) are nonvoting members.

(e) The term of office of a legislative member of the advisory board is four (4) years. However, a legislative member of the advisory board ceases to be a member if the member:

(1) is no longer a member of the chamber from which the member was appointed; or

(2) is removed from the advisory board by the appointing authority who appointed the legislator.

(f) The term of office of a voting member of the advisory board is four (4) years. However, these members serve at the pleasure of the governor and may be removed for any reason.

(g) If a vacancy exists on the advisory board, the appointing authority who appointed the former member whose position has

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become vacant shall appoint an individual to fill the vacancy for the balance of the unexpired term.

(h) Six (6) voting members of the advisory board constitute a quorum for the transaction of business at a meeting of the advisory board. The affirmative vote of at least six (6) voting members is necessary for the advisory board to take action.

SECTION 5. IC 4-4-9.7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

**Chapter 9.7. Office of Rural Affairs**

**Sec. 1. As used in this chapter, "director" refers to the director of the office of rural affairs appointed under section 5 of this chapter.**

**Sec. 2. As used in this chapter, "office" refers to the office of rural affairs established by section 4 of this chapter.**

**Sec. 3. As used in this chapter, "secretary" refers to the lieutenant governor as secretary of agriculture and rural development, as provided in IC 4-4-2.3.**

**Sec. 4. The office of rural affairs is established.**

**Sec. 5. (a) The secretary shall appoint an individual to be the director of the office.**

**(b) The director:**

**(1) serves at the secretary's pleasure;**

**(2) is entitled to receive compensation in an amount set by the secretary subject to the approval of the budget agency under IC 4-12-1-13; and**

**(3) is responsible to the secretary.**

**(c) The director is the chief executive and administrative officer of the office.**

**(d) The director may appoint employees in the manner provided by IC 4-15-2 and fix their compensation, subject to the approval of the budget agency under IC 4-12-1-13.**

**(e) The director may delegate the director's authority to the appropriate office staff.**

**Sec. 6. The office shall do the following:**

**(1) Administer the rural development fund under IC 4-4-9.**

**(2) Administer the rural development administration fund under IC 4-4-9.3.**

**(3) Provide administrative and staff support for the Indiana rural development council under IC 4-4-9.5.**

**(4) Administer the Indiana main street program under IC 4-4-16.**

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1           **(5) Administer the community development block grant**  
 2           **program.**

3           **(6) Administer the duties of the high speed communications**  
 4           **director.**

5           SECTION 6. IC 4-4-16-1 IS AMENDED TO READ AS FOLLOWS  
 6 [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The Indiana main street  
 7 program is established to:

8           (1) encourage the economic development, redevelopment, and  
 9           improvement of downtown areas in Indiana cities and towns in all  
 10          geographic regions of the state;

11          (2) sponsor demonstration efforts in Indiana cities and towns in  
 12          all geographic regions of the state; and

13          (3) provide technical assistance and sponsor seminars and other  
 14          educational programs on downtown area revitalization,  
 15          development, and redevelopment.

16          (b) The program shall be administered by the ~~department of~~  
 17          ~~commerce.~~ **office of rural affairs.**

18          SECTION 7. IC 4-4-16-2 IS AMENDED TO READ AS FOLLOWS  
 19 [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The Indiana main street  
 20 council is established. The council consists of:

21          (1) the ~~lieutenant governor~~ **secretary of agriculture and rural**  
 22          **development** or a person designated by the ~~lieutenant governor;~~  
 23          **secretary**, who shall serve as chairman; and

24          (2) at least seven (7) but not more than ten (10) persons appointed  
 25          by the ~~lieutenant governor;~~ **secretary**, who represent  
 26          organizations concerned with the purposes of the program  
 27          established by this chapter and who represent all geographic  
 28          regions of the state.

29          (b) Members appointed to the council by the ~~lieutenant governor~~  
 30          **secretary** shall serve for a term of three (3) years, beginning on July 1  
 31          after their appointment. However, a member appointed to fill a vacancy  
 32          on the council shall serve for the remainder of the unexpired term.

33          (c) The council shall:

34                  (1) develop and direct policy;

35                  (2) coordinate administrative techniques; and

36                  (3) provide assistance;

37          to carry out the purposes of the Indiana main street program.

38          (d) Each member of the council who is not a state employee is  
 39          entitled to the minimum salary per diem provided by IC 4-10-11-2.1(b).  
 40          Each member is entitled to reimbursement for traveling expenses and  
 41          other expenses actually incurred in connection with the member's  
 42          duties, as provided in the state travel policies and procedures

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established by the department of administration and approved by the state budget agency.

SECTION 8. IC 4-4-16-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. To carry out the purposes described in section 1 of this chapter, the ~~department office of commerce;~~ **rural affairs**, acting for and on behalf of the Indiana main street council and the Indiana main street program, may:

- (1) execute contractual agreements;
- (2) receive money from any source;
- (3) expend money for an activity appropriate to the purposes of this chapter; and
- (4) execute agreements and cooperate with:
  - (A) any other state or federal department or agency;
  - (B) **Indiana** political subdivisions; ~~of the state;~~ or
  - (C) any private person or corporation.

SECTION 9. IC 5-28-6-2, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The corporation shall develop and promote programs designed to make the best use of Indiana resources to ensure a balanced economy and continuing economic growth for Indiana, and, for those purposes, may do the following:

- (1) Cooperate with federal, state, and local governments and agencies in the coordination of programs to make the best use of Indiana resources.
- (2) Receive and expend funds, grants, gifts, and contributions of money, property, labor, interest accrued from loans made by the corporation, and other things of value from public and private sources, including grants from agencies and instrumentalities of the state and the federal government. The corporation:
  - (A) may accept federal grants for providing planning assistance, making grants, or providing other services or functions necessary to political subdivisions, planning commissions, or other public or private organizations;
  - (B) shall administer these grants in accordance with the terms of the grants; and
  - (C) may contract with political subdivisions, planning commissions, or other public or private organizations to carry out the purposes for which the grants were made.
- (3) Direct that assistance, information, and advice regarding the duties and functions of the corporation be given to the corporation by an officer, agent, or employee of the executive branch of the state. The head of any other state department or agency may

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assign one (1) or more of the department's or agency's employees to the corporation on a temporary basis or may direct a division or an agency under the department's or agency's supervision and control to make a special study or survey requested by the corporation.

(b) The corporation shall perform the following duties:

(1) Develop and implement industrial development programs to encourage expansion of existing industrial, commercial, and business facilities in Indiana and to encourage new industrial, commercial, and business locations in Indiana.

(2) Assist businesses and industries in acquiring, improving, and developing overseas markets and encourage international plant locations in Indiana. The corporation, with the approval of the governor, may establish foreign offices to assist in this function.

(3) Promote the growth of minority business enterprises by doing the following:

(A) Mobilizing and coordinating the activities, resources, and efforts of governmental and private agencies, businesses, trade associations, institutions, and individuals.

(B) Assisting minority businesses in obtaining governmental or commercial financing for expansion or establishment of new businesses or individual development projects.

(C) Aiding minority businesses in procuring contracts from governmental or private sources, or both.

(D) Providing technical, managerial, and counseling assistance to minority business enterprises.

(4) Assist the office of the lieutenant governor in:

(A) community economic development planning;

(B) implementation of programs designed to further community economic development; and

(C) the development and promotion of Indiana's tourist resources.

(5) Assist the commissioner of agriculture in promoting and marketing of Indiana's agricultural products and provide assistance to the commissioner of agriculture.

(6) With the approval of the governor, implement federal programs delegated to the state to carry out the purposes of this article.

(7) Promote the growth of small businesses by doing the following:

(A) Assisting small businesses in obtaining and preparing the permits required to conduct business in Indiana.

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(B) Serving as a liaison between small businesses and state agencies.

(C) Providing information concerning business assistance programs available through government agencies and private sources.

~~(8) Assist the Indiana commission for agriculture and rural development in performing its functions under IC 4-4-22.~~

~~(9)~~ (8) Establish a public information page on its current Internet site on the world wide web. The page must provide the following:

(A) By program, cumulative information on the total amount of incentives awarded, the total number of companies that received the incentives and were assisted in a year, and the names and addresses of those companies.

(B) A mechanism on the page whereby the public may request further information online about specific programs or incentives awarded.

(C) A mechanism for the public to receive an electronic response.

(c) The corporation may do the following:

(1) Disseminate information concerning the industrial, commercial, governmental, educational, cultural, recreational, agricultural, and other advantages of Indiana.

(2) Plan, direct, and conduct research activities.

(3) Assist in community economic development planning and the implementation of programs designed to further community economic development.

SECTION 10. IC 15-7-9-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter, "assistant commissioner" refers to the ~~assistant commissioner~~ **director of the department of** agriculture appointed under ~~IC 4-4-22-20~~ **IC 15-9-3-1.**

SECTION 11. IC 15-9 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

## **ARTICLE 9. DEPARTMENT OF AGRICULTURE**

### **Chapter 1. Definitions**

**Sec. 1. The definitions in this chapter apply throughout this article.**

**Sec. 2. "Department" refers to the department of agriculture established by IC 15-9-2-1.**

**Sec. 3. "Director" refers to the director of the department of agriculture appointed under IC 15-9-3-1.**

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1        **Sec. 4. "Division"** refers to the division of soil conservation  
 2 established by IC 15-9-4-1.

3        **Sec. 5. "Secretary"** refers to the lieutenant governor as  
 4 secretary of agriculture and rural development as provided in  
 5 IC 4-4-2.3.

6        **Chapter 2. Establishment of the Department**

7        **Sec. 1.** The department of agriculture is established.

8        **Sec. 2.** The director is the chief executive and administrative  
 9 officer of the department.

10       **Sec. 3.** The department shall do the following:

11        (1) Provide administrative and staff support for the following:

12            (A) The center for value added research.

13            (B) The state fair board for purposes of administering the  
 14 commissioner of agriculture's duties under IC 15-1.5-4.

15            (C) The Indiana corn marketing council for purposes of  
 16 administering the duties of the commissioner of agriculture  
 17 under IC 15-4-10.

18            (D) The Indiana organic peer review panel.

19            (E) The Indiana dairy industry development board for  
 20 purposes of administering the duties of the commissioner  
 21 of agriculture under IC 15-6-4.

22            (F) The Indiana land resources council.

23            (G) The Indiana grain buyers and warehouse licensing  
 24 agency.

25            (H) The Indiana grain indemnity corporation.

26            (I) The division of soil conservation established by  
 27 IC 15-9-4-1.

28        (2) Administer the election of state fair board members.

29        (3) Administer state programs and laws promoting  
 30 agricultural trade.

31        (4) Administer state livestock or agriculture marketing grant  
 32 programs.

33        (5) Administer economic development efforts for agriculture.

34        **Chapter 3. The Director**

35        **Sec. 1.** The governor shall appoint an individual to be the  
 36 director of the department.

37        **Sec. 2.** The director:

38            (1) serves at the governor's pleasure;

39            (2) is entitled to receive compensation in an amount set by the  
 40 governor; and

41            (3) is responsible to the secretary.

42        **Sec. 3.** The director may appoint employees in the manner

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provided by IC 4-15-2 and fix their compensation, subject to the approval of the budget agency under IC 4-12-1-13.

Sec. 4. The director may delegate the director's authority to the appropriate department staff.

Sec. 5. The director shall establish a board to advise the department in the implementation of the department's duties.

#### Chapter 4. The Division of Soil Conservation

Sec. 1. The division of soil conservation is established in the department.

Sec. 2. The director is the administrative head of the division.

Sec. 3. (a) The division shall do the following:

- (1) Provide administrative and staff support for the soil conservation board.
- (2) Administer all programs relating to land and soil conservation in Indiana.
- (3) Manage Indiana's watersheds.
- (4) Administer the clean water Indiana program.
- (5) Perform other functions assigned by the secretary or the director.

(b) The duties of the division do not include administering the Lake Michigan Coastal program. The Lake Michigan Coastal program shall administer the state's compliance with and provide assistance under the federal Coastal Zone Management Act (16 U.S.C. 33).

(c) The duties of the division do not include those listed in IC 14-32-7-12(b)(7).

SECTION 12. IC 4-4-22 IS REPEALED [EFFECTIVE UPON PASSAGE].

SECTION 13. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "rural development agency" refers to any part of the department of commerce that administers a rural development statute.

(b) As used in this SECTION, "rural development statute" refers to any of the following:

- (1) IC 4-4-9.
- (2) IC 4-4-9.3.
- (3) IC 4-4-9.5.

(c) As used in this SECTION, "office" refers to the office of rural affairs established by IC 4-4-9.7-4, as added by this act.

(d) As used in this SECTION, "secretary" refers to the secretary of agriculture and rural development designated by IC 4-4-2.3-1, as added by this act.

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(e) After June 30, 2005, the following apply:

(1) The powers and duties of a rural development agency are transferred to the office.

(2) A reference to a rural development agency in a statute, a rule, or another document is considered a reference to the office.

(3) All the property of a rural development agency is transferred to the office.

(4) An appropriation to a rural development agency in effect after June 30, 2005, is transferred to the office.

(5) A fund established by a rural development statute:

(A) is transferred to the office; and

(B) shall be administered by the office.

(6) Positions of a rural development agency are transferred to the office.

(7) This subdivision applies to an individual employed by a rural development agency on June 30, 2005:

(A) The individual is entitled to become an employee of the office on July 1, 2005.

(B) The individual is entitled to have the individual's service as an employee of the rural development agency before July 1, 2005, included for the purpose of computing all applicable employment rights and benefits with the office.

(C) If the employee was covered on June 30, 2005, by a labor agreement to which the state is a party, the office shall continue to be subject to the terms and conditions of the agreement as provided in the labor agreement.

(8) All leases and obligations entered into by a rural development agency before July 1, 2005, that are legal and valid on July 1, 2005, are obligations of the office beginning July 1, 2005.

(f) This SECTION expires July 1, 2006.

SECTION 14. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "agriculture agency" refers to any of the following:

(1) All functions of the department of commerce relating to programs relating to the economic development of agriculture.

(2) Any part of the department of commerce that administers an agricultural statute.

(3) The center for value added research established under IC 4-4-3.4.

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(4) The Indiana commission for agriculture and rural development established by IC 4-4-22-6, before its repeal by this act.

(5) The state fair board established by IC 15-1.5-4-1.

(6) The Indiana corn marketing council established by IC 15-4-10-12.

(7) The Indiana organic peer review panel established by IC 15-4-12-9.

(8) The Indiana dairy industry development board established by IC 15-6-4-9.

(9) The Indiana land resources council established by IC 15-7-9-4.

(10) The Indiana grain buyers and warehouse licensing agency established by IC 26-3-7-1.

(11) The Indiana grain indemnity corporation established by IC 26-4-3-1.

(b) As used in this SECTION, "agricultural statute" refers to any of the following:

(1) IC 4-4-3.4.

(2) IC 15, except the following:

(A) Any statute administered by the state fair commission. For purposes of this clause, IC 15-1.5-4 and IC 15-1.5-5 are not considered to be administered by the state fair commission.

(B) IC 15-2.1.

(C) Any statute administered by the Indiana state board of animal health or the state veterinarian.

(D) Any statute administered by the state chemist appointed under IC 15-3-3-2.

(E) IC 15-6-1.

(F) Any statute administered by the dean of agriculture at Purdue University.

(3) IC 26-3-7.

(4) IC 26-4.

(c) As used in this SECTION, "commission" refers to the Indiana commission for agriculture and rural development established by IC 4-4-22-6, before its repeal by this act.

(d) As used in this SECTION, "department" refers to the department of agriculture established by IC 15-9-2-1, as added by this act.

(e) As used in this SECTION, "director" refers to the director of the department of agriculture appointed under IC 15-9-3-1, as

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1 added by this act.

2 (f) After June 30, 2005, the following apply:

3 (1) The powers and duties of the assistant commissioner are  
4 transferred to the director.

5 (2) A reference to the assistant commissioner in a statute, a  
6 rule, or another document shall be treated as a reference to  
7 the director.

8 (3) The powers and duties of each agriculture or rural  
9 development agency are transferred to the department.

10 (4) A reference to an agriculture agency in a statute, a rule, or  
11 another document shall be treated as a reference to the  
12 department.

13 (5) All the property of each agriculture agency is transferred  
14 to the department.

15 (6) An appropriation to an agriculture agency in effect after  
16 June 30, 2005, is transferred to the department.

17 (7) A fund established by an agriculture statute:

18 (A) is transferred to the department; and

19 (B) shall be administered by the department.

20 (8) Positions of each agriculture agency are transferred to the  
21 department.

22 (9) This subdivision applies to an individual employed by an  
23 agriculture agency on June 30, 2005:

24 (A) The individual is entitled to become an employee of the  
25 department on July 1, 2005.

26 (B) The individual is entitled to have the individual's  
27 service as an employee of the agriculture agency before  
28 July 1, 2005, included for the purpose of computing all  
29 applicable employment rights and benefits with the  
30 department.

31 (C) If the employee was covered on June 30, 2005, by a  
32 labor agreement to which the state is a party, the  
33 department shall continue to be subject to the terms and  
34 conditions of the agreement as provided in the labor  
35 agreement.

36 (10) All leases and obligations entered into by an agriculture  
37 agency before July 1, 2005, that are legal and valid on July 1,  
38 2005, are obligations of the department beginning July 1,  
39 2005.

40 (g) This SECTION expires July 1, 2006.

41 SECTION 15. [EFFECTIVE JULY 1, 2005] (a) As used in this  
42 SECTION, "department" refers to the department of agriculture

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1 established by IC 15-9-2-1, as added by this act.

2 (b) As used in this SECTION, "director" refers to the director  
3 of the department appointed under IC 15-9-3-1, as added by this  
4 act.

5 (c) As used in this SECTION, "division" refers to the division of  
6 soil conservation established by IC 15-9-4-1, as added by this act.

7 (d) As used in this SECTION, "land and water conservation  
8 agency" refers to any of the following:

9 (1) The soil and water conservation functions of the  
10 department of natural resources.

11 (2) The soil conservation board.

12 (3) All functions of the department of natural resources or the  
13 department of environmental management relating to the  
14 clean water Indiana program.

15 (e) As used in this SECTION, "land and water conservation  
16 statute" refers to IC 14-32 or IC 6-6-11.

17 (f) After June 30, 2005, the following apply:

18 (1) The powers and duties of a land and water conservation  
19 agency are transferred to the division.

20 (2) A reference to a land and water conservation agency in a  
21 statute, rule, or other document is considered a reference to  
22 the division.

23 (3) All the property of a land and water conservation agency  
24 is transferred to the division.

25 (4) An appropriation to a land and water conservation agency  
26 in effect after June 30, 2005, is transferred to the division.

27 (5) A fund established by a land and water conservation  
28 statute:

29 (A) is transferred to the division; and

30 (B) shall be administered by the division.

31 (6) Positions of a land and water conservation agency are  
32 transferred to the division.

33 (7) This subdivision applies to an individual employed by a  
34 land and water conservation agency on June 30, 2005:

35 (A) The individual is entitled to become an employee of the  
36 division on July 1, 2005.

37 (B) The individual is entitled to have the individual's  
38 service as an employee of the land and water conservation  
39 agency before July 1, 2005, included for the purpose of  
40 computing all applicable employment rights and benefits  
41 with the division.

42 (C) If the employee was covered on June 30, 2005, by a

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1 labor agreement to which the state is a party, the division  
2 shall continue to be subject to the terms and conditions of  
3 the agreement as provided in the labor agreement.  
4 (8) All leases and obligations entered into by a land and water  
5 conservation agency before July 1, 2005, that are legal and  
6 valid on July 1, 2005, are obligations of the division beginning  
7 July 1, 2005.  
8 (g) This SECTION expires July 1, 2006.  
9 SECTION 16. [EFFECTIVE UPON PASSAGE] (a) As used in this  
10 SECTION, "department" refers to the department of agriculture  
11 established by IC 15-9-2-1, as added by this act.  
12 (b) The legislative services agency shall prepare legislation for  
13 introduction in the 2006 regular session of the general assembly to  
14 organize and correct statutes affected by the establishment of the  
15 department by this act.  
16 (c) This SECTION expires July 1, 2006.  
17 SECTION 17. An emergency is declared for this act.

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Agriculture and Rural Development, to which was referred House Bill 1008, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 11, line 2, after "board" insert **"for purposes of administering the commissioner of agriculture's duties under IC 15-1.5-4."**

Page 11, delete line 15.

Page 11, line 16, delete "(6)" and insert **"(5)"**.

Page 12, delete line 42.

Page 13, delete line 1.

Page 13, line 2, delete "(B) Programs" and insert **"programs"**.

Page 12, run in line 41 through page 13, line 2.

Page 13, delete lines 12 through 13.

Page 13, line 14, delete "(7)" and insert **"(6)"**.

Page 13, line 16, delete "(8)" and insert **"(7)"**.

Page 13, line 18, delete "(9)" and insert **"(8)"**.

Page 13, line 20, delete "(10)" and insert **"(9)"**.

Page 13, line 22, delete "(11)" and insert **"(10)"**.

Page 13, line 24, delete "(12)" and insert **"(11)"**.

Page 13, between lines 38 and 39, begin a new line double block indented and insert:

**"(E) IC 15-6-1.**

**(F) Any statute administered by the dean of agriculture at Purdue University."**

and when so amended that said bill do pass.

(Reference is to HB 1008 as introduced.)

GUTWEIN, Chair

Committee Vote: yeas 12, nays 0.

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SENATE MOTION

Madam President: I move that Senators Mishler, Paul, Waterman, Weatherwax, Hume, Lewis and Mrvan be added as cosponsors of Engrossed House Bill 1008.

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## COMMITTEE REPORT

Madam President: The Senate Committee on Agriculture and Small Business, to which was referred House Bill No. 1008, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 12 through 17.

Delete pages 2 through 4.

Page 5, delete lines 1 through 38.

Page 9, line 3, delete "focus fund and the community" and insert **"development block grant program."**

Page 9, delete line 4.

Page 10, between lines 17 and 18, begin a new paragraph and insert: "SECTION 8. IC 5-28-6-2, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. (a) The corporation shall develop and promote programs designed to make the best use of Indiana resources to ensure a balanced economy and continuing economic growth for Indiana, and, for those purposes, may do the following:

(1) Cooperate with federal, state, and local governments and agencies in the coordination of programs to make the best use of Indiana resources.

(2) Receive and expend funds, grants, gifts, and contributions of money, property, labor, interest accrued from loans made by the corporation, and other things of value from public and private sources, including grants from agencies and instrumentalities of the state and the federal government. The corporation:

(A) may accept federal grants for providing planning assistance, making grants, or providing other services or functions necessary to political subdivisions, planning commissions, or other public or private organizations;

(B) shall administer these grants in accordance with the terms of the grants; and

(C) may contract with political subdivisions, planning commissions, or other public or private organizations to carry out the purposes for which the grants were made.

(3) Direct that assistance, information, and advice regarding the duties and functions of the corporation be given to the corporation by an officer, agent, or employee of the executive branch of the state. The head of any other state department or agency may assign one (1) or more of the department's or agency's employees to the corporation on a temporary basis or may direct a division

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or an agency under the department's or agency's supervision and control to make a special study or survey requested by the corporation.

(b) The corporation shall perform the following duties:

(1) Develop and implement industrial development programs to encourage expansion of existing industrial, commercial, and business facilities in Indiana and to encourage new industrial, commercial, and business locations in Indiana.

(2) Assist businesses and industries in acquiring, improving, and developing overseas markets and encourage international plant locations in Indiana. The corporation, with the approval of the governor, may establish foreign offices to assist in this function.

(3) Promote the growth of minority business enterprises by doing the following:

(A) Mobilizing and coordinating the activities, resources, and efforts of governmental and private agencies, businesses, trade associations, institutions, and individuals.

(B) Assisting minority businesses in obtaining governmental or commercial financing for expansion or establishment of new businesses or individual development projects.

(C) Aiding minority businesses in procuring contracts from governmental or private sources, or both.

(D) Providing technical, managerial, and counseling assistance to minority business enterprises.

(4) Assist the office of the lieutenant governor in:

(A) community economic development planning;

(B) implementation of programs designed to further community economic development; and

(C) the development and promotion of Indiana's tourist resources.

(5) Assist the commissioner of agriculture in promoting and marketing of Indiana's agricultural products and provide assistance to the commissioner of agriculture.

(6) With the approval of the governor, implement federal programs delegated to the state to carry out the purposes of this article.

(7) Promote the growth of small businesses by doing the following:

(A) Assisting small businesses in obtaining and preparing the permits required to conduct business in Indiana.

(B) Serving as a liaison between small businesses and state agencies.

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(C) Providing information concerning business assistance programs available through government agencies and private sources.

~~(8) Assist the Indiana commission for agriculture and rural development in performing its functions under IC 4-4-22.~~

~~(9)~~ (8) Establish a public information page on its current Internet site on the world wide web. The page must provide the following:

(A) By program, cumulative information on the total amount of incentives awarded, the total number of companies that received the incentives and were assisted in a year, and the names and addresses of those companies.

(B) A mechanism on the page whereby the public may request further information online about specific programs or incentives awarded.

(C) A mechanism for the public to receive an electronic response.

(c) The corporation may do the following:

(1) Disseminate information concerning the industrial, commercial, governmental, educational, cultural, recreational, agricultural, and other advantages of Indiana.

(2) Plan, direct, and conduct research activities.

(3) Assist in community economic development planning and the implementation of programs designed to further community economic development."

Page 10, between lines 33 and 34, begin a new paragraph and insert:

**"Sec. 4. "Division" refers to the division of soil conservation established by IC 15-9-4-1."**

Page 10, line 34, delete "4." and insert "5."

Page 11, line 4, after "council" insert **"for purposes of administering the duties of the commissioner of agriculture under IC 15-4-10"**.

Page 11, line 6, after "board" insert **"for purposes of administering the duties of the commissioner of agriculture under IC 15-6-4"**.

Page 11, between lines 10 and 11, begin a new line double block indented and insert:

**"(I) The division of soil conservation established by IC 15-9-4-1."**

Page 11, between lines 31 and 32, begin a new paragraph and insert:

**"Chapter 4. The Division of Soil Conservation**

**Sec. 1. The division of soil conservation is established in the department.**

**Sec. 2. The director is the administrative head of the division.**



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**Sec. 3. (a) The division shall do the following:**

- (1) Provide administrative and staff support for the soil conservation board.**
- (2) Administer all programs relating to land and soil conservation in Indiana.**
- (3) Manage Indiana's watersheds.**
- (4) Administer the clean water Indiana program.**
- (5) Perform other functions assigned by the secretary or the director.**

**(b) The duties of the division do not include administering the Lake Michigan Coastal program. The Lake Michigan Coastal program shall administer the state's compliance with and provide assistance under the federal Coastal Zone Management Act (16 U.S.C. 33).**

**(c) The duties of the division do not include those listed in IC 14-32-7-12(b)(7)."**

Page 15, between lines 3 and 4, begin a new paragraph and insert:  
**"SECTION 14. [EFFECTIVE JULY 1, 2005] (a) As used in this SECTION, "department" refers to the department of agriculture established by IC 15-9-2-1, as added by this act.**

**(b) As used in this SECTION, "director" refers to the director of the department appointed under IC 15-9-3-1, as added by this act.**

**(c) As used in this SECTION, "division" refers to the division of soil conservation established by IC 15-9-4-1, as added by this act.**

**(d) As used in this SECTION, "land and water conservation agency" refers to any of the following:**

- (1) The soil and water conservation functions of the department of natural resources.**
- (2) The soil conservation board.**
- (3) All functions of the department of natural resources or the department of environmental management relating to the clean water Indiana program.**

**(e) As used in this SECTION, "land and water conservation statute" refers to IC 14-32 or IC 6-6-11.**

**(f) After June 30, 2005, the following apply:**

- (1) The powers and duties of a land and water conservation agency are transferred to the division.**
- (2) A reference to a land and water conservation agency in a statute, rule, or other document is considered a reference to the division.**
- (3) All the property of a land and water conservation agency**

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is transferred to the division.

(4) An appropriation to a land and water conservation agency in effect after June 30, 2005, is transferred to the division.

(5) A fund established by a land and water conservation statute:

(A) is transferred to the division; and

(B) shall be administered by the division.

(6) Positions of a land and water conservation agency are transferred to the division.

(7) This subdivision applies to an individual employed by a land and water conservation agency on June 30, 2005:

(A) The individual is entitled to become an employee of the division on July 1, 2005.

(B) The individual is entitled to have the individual's service as an employee of the land and water conservation agency before July 1, 2005, included for the purpose of computing all applicable employment rights and benefits with the division.

(C) If the employee was covered on June 30, 2005, by a labor agreement to which the state is a party, the division shall continue to be subject to the terms and conditions of the agreement as provided in the labor agreement.

(8) All leases and obligations entered into by a land and water conservation agency before July 1, 2005, that are legal and valid on July 1, 2005, are obligations of the division beginning July 1, 2005.

(g) This SECTION expires July 1, 2006."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1008 as printed February 18, 2005.)

NUGENT, Chairperson

Committee Vote: Yeas 8, Nays 0.

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